

## § 1650.1

## 5 CFR Ch. VI (1–1–04 Edition)

### Subpart D—In-Service Withdrawals

- 1650.31 Age-based withdrawals.
- 1650.32 Financial hardship withdrawals.
- 1650.33 Contributing to the TSP after an in-service withdrawal.
- 1650.34 Uniqueness of loans and withdrawals.

### Subpart E—Procedures for In-Service Withdrawals

- 1650.41 How to obtain an age-based withdrawal.
- 1650.42 How to obtain a financial hardship withdrawal.
- 1650.43 Taxes related to in-service withdrawals.

### Subpart F [Reserved]

### Subpart G—Spousal Rights

- 1650.61 Spousal rights applicable to post-employment withdrawals.
- 1650.62 Spousal rights applicable to in-service withdrawals.
- 1650.63 Executive Director's exception to the spousal notification requirement.
- 1650.64 Executive Director's exception to the spousal consent requirement.

AUTHORITY: 5 U.S.C. 8351, 8433, 8434, 8435, 8474(b)(5), and 8474(c)(1).

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### Subpart A—General

#### § 1650.1 Definitions.

(a) Definitions generally applicable to the Thrift Savings Plan are set forth at 5 CFR 1690.1.

(b) As used in this part:

*Eligible employer plan* means a plan qualified under I.R.C. section 401(a) (26 U.S.C. 401(a)), including a section 401(k) plan, profit-sharing plan, defined benefit plan, stock bonus plan, and money purchase plan; an annuity plan described in I.R.C. section 403(a) (26 U.S.C. 403(a)); an annuity contract described in I.R.C. section 403(b) (26 U.S.C. 403(b)); and an eligible deferred compensation plan described in I.R.C. section 457(b) (26 U.S.C. 457(b)) which is maintained by an eligible employer described in I.R.C. section 457(e)(1)(A) (26 U.S.C. 457(e)(1)(A)).

*In-service withdrawal* means an age-based or financial hardship withdrawal from the TSP that may be available to

a participant who has not yet separated from Government service.

*Post-employment withdrawal* means a withdrawal from the TSP that is available to a participant who is separated from Government service.

*Traditional IRA* means an individual retirement account described in I.R.C. section 408(a) (26 U.S.C. 408(a)) and an individual retirement annuity described in I.R.C. section 408(b) (26 U.S.C. 408(b)) (other than an endowment contract). (It does not include a Roth IRA, a SIMPLE IRA, or a Coverdell Educational Savings Account (formerly known as an educational IRA).)

#### § 1650.2 Eligibility for a TSP withdrawal.

(a) A participant who is separated from Government service can elect to withdraw a portion of his or her account balance in a single payment, or the entire account balance by one or a combination of the withdrawal methods described in subpart B of this part.

(b) A post-employment withdrawal will not be paid unless TSP records indicate that the participant is separated from Government service. The TSP will cancel a post-employment withdrawal election upon receiving information from an employing agency that a participant is no longer separated.

(c) A participant cannot make a post-employment withdrawal until any outstanding TSP loan has either been repaid in full or declared to be a taxable distribution. An outstanding TSP loan will not affect a participant's eligibility for an in-service withdrawal.

(d) A separated participant who is reemployed in a position in which he or she is eligible to participate in the TSP is subject to the following rules:

(1) A participant who is reemployed in a TSP-eligible position on or before the 31st full calendar day after separation is not eligible to withdraw his or her TSP account in accordance with subpart B of this part.

(2) A participant who is reemployed in a TSP-eligible position more than 31 full calendar days after separation and who made a post-employment withdrawal while separated may not withdraw any remaining portion of his or her account balance in accordance with subpart B of this part until he or she